HOUSING MARKET INFORMATION

HOUSING MARKET OUTLOOK
Canada Edition

CANADA MORTGAGE AND HOUSING CORPORATION

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Canadian Housing Market: Housing starts to remain stable in 2014 and 2015

Overview[1]

Housing Starts:	
2014:	187,300
2015:	184,900
Resales:	
2014:	466,500
2015:	474,700

Housing starts: While housing demand will be supported by an improvement in fundamentals, total housing starts will remain more or less stable over the forecast horizon. With a relatively high number of units under construction in some local markets, builders are expected to adjust the pace of new activity in order to manage their inventory levels.

Overall, total housing starts are expected to remain mostly unchanged in 2014, reaching 187,300 units, before moderating to 184,900 units in 2015.

Resales: Existing home sales are expected to rise moderately along with economic conditions in 2014 and 2015. On an annual basis, sales through the Multiple Listing Service® (MLS®)[2] are expected to reach 466,500 units in 2014 and 474,700 units in 2015.

Resale prices: In line with expectations that most local housing markets will remain in or near balanced market conditions, the average MLS® price average for Canada is expected to grow at a rate near inflation over the forecast horizon. The average MLS® price is expected to reach $390,400 in 2014 and $397,100 in 2015, representing increases of 2.1 per cent and 1.7 per cent, respectively.

Provincial spotlight: In 2014, housing starts will moderate in seven out of ten provinces. Alberta, British Columbia and Quebec are forecast to show gains, partially offsetting declines in other provinces and leading to a relatively stable level of starts nationally.

In 2015, housing starts will post a modest rebound in Manitoba and in Quebec, with British Columbia showing no change. All other provinces will see their housing starts moderate.

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[1] The outlook is subject to uncertainty. Although point forecasts are presented in this publication, CMHC also presents forecast ranges and risks where appropriate. The forecasts included in this document reflect information available as of January 22, 2014.

[2] Multiple Listing Service® (MLS®) is a registered trademark owned by the Canadian Real Estate Association.

Detailed National Housing Outlook

Total housing starts to remain relatively unchanged in 2014 and moderate in 2015, after slowing down in 2013

Even with modest improvements in economic conditions in the latter half of 2013, slower employment and income growth in the first half of the year led to more modest housing demand overall. As a result, housing starts slowed to a total of 187,923 units in 2013 from 214,827 units in 2012.

Over the forecast horizon, the sources of economic growth in Canada are expected to continue to improve and broaden, as exports and business investment progressively strengthen. As the shift occurs, economic fundamentals, including employment and disposable income growth, are expected to increase modestly. These factors will help to sustain demand for new home construction in 2014 and 2015.

While the above cited fundamentals will help to sustain the demand for new homes in 2014 and 2015, the influence of other factors will cause housing starts to moderate over the latter part of the forecast horizon.

With a relatively high number of units currently under construction in some local markets, builders are expected to gradually adjust their pace of activity in order to manage their inventory levels. As measured by the ratio of newly completed and unabsorbed housing units to population, the level of inventory[3] trended higher over the second half of 2012 and in the first quarter of 2013 but has since moved back toward the historical average. This indicator reached 4.9 units per 10,000 population in the third quarter of 2013, a level slightly above the historical average of 4.3 units.

The expectation of modest and gradual increases in mortgage rates toward the end of the forecast horizon will also contribute to tempering demand. This, combined with a slowdown in the growth of the pool of first-time buyers in late 2014 and into 2015, will lead to further moderation of housing starts next year.

Overall, housing starts are projected to remain somewhat stable, at 187,300 units in 2014. In 2015, housing starts are expected to moderate to 184,900 units.

Reflecting potential risks to the outlook, the housing starts forecast range varies from 176,600 to 199,800 units for 2014 and from 163,200 to 206,600 units for 2015.

Single-detached starts to show little change in 2014 and 2015

In 2013, single-detached housing starts slowed to 76,893 units and are expected to remain roughly unchanged over 2014 and 2015.

The support from improvement in fundamentals to housing demand will be curbed by modest and gradual increases in mortgage rates toward the end of the forecast horizon.

Builders will adjust to the slowing demand by reducing single-detached housing starts, in order to keep inventory levels in check. In the fourth quarter of 2013, inventories of newly completed and unabsorbed single-detached housing units per 10,000 population stood at 1.5 units, which was higher than in the fourth quarter of 2012 but slightly below the historical average of 1.6 units. Into 2014 and 2015, inventories are expected to stabilize at levels closer to the historical average.

Overall, single-detached housing starts are expected to remain relatively stable at 76,700 units in 2014, and at 76,200 units in 2015. Reflecting the risks to the outlook, single-detached home starts are expected to range between 72,400 and 82,800 units for 2014 and between 66,600 and 85,800 units for 2015.

Multiple housing starts expected to stabilize in 2014 and decline in 2015

After rising for three consecutive years, multiple housing starts[4] pulled back by 15.4 per cent, to 111,030 units, in 2013. However, the higher level of activity in the years prior to 2013 left a reltively high number of multiple housing units currently under construction in some local markets, when compared to historical averages. Looking ahead, several key factors that are expected to influence multiple housing starts will counteract one another and lead to relatively stable activity for this housing type in 2014, and a slight decrease in 2015.

[3] The level of inventories discussed here is for urban centres with a population of 50,000 and over. The inventory of housing units is defined as a snapshot of the level of completed and unabsorbed units at a specific time. A unit is defined as "absorbed" when an agreement is made to buy the dwelling. The definition of this concept was recently updated. Prior to 2013, a unit was defined as "absorbed" when an agreement was made to buy or rent the dwelling. However, data on absorption for multiple dwelling units intended for rent was not always available. Supply conditions in the owner and rental markets are now collected under separate, dedicated surveys (see CMHC's Rental Market Survey for rented accommodation and CMHC's Starts and Completions Survey for owned accommodation). In addition, the series' name was changed from "newly completed and unoccupied" to "newly completed and unabsorbed" as a result of the move toward counts based on the existence of a binding contract.

[4] Multiple housing starts include semi-detached, row and apartment units.

First, the gradual and modest mortgage rate increase is likely to limit growth in multiple housing demand toward the end of the forecast horizon.

Second, a slowdown in the growth of the pool of first-time buyers will futher limit demand for multiple housing toward the end of the forecast horizon. Statistical analysis shows that the population aged from 25 to 34 is a reliable proxy for the pool of first-time home buyers at the national level. Moreover, first-time home buyers are also more likely to enter homeownership through the relatively more affordable multiple housing segment. Thus, growth among the population aged from 25 to 34 is a key variable for demand projections for multiple housing units over the medium and long term. However, according to Statistics Canada's latest demographic projections, all regions outside of Quebec will see the growth rates of their population aged 25 to 34 decline by the end of 2014 and into 2015[5]. As a result, multiple housing starts will be limited by this trend over the forecast horizon.

The third key factor is the expected strengthening of economic fundamentals over the forecast horizon, which will provide support to multiple housing demand and contribute to offsetting the effect of a gradual and modest increase in mortgage rates and slower growth in the pool of first-time home buyers. However, in the face of relatively high numbers of units under construction, builders are expected to adjust the level of starts, so as to channel demand toward the absorption of inventories. In the fourth quarter of 2013, the inventory of new and unabsorbed multiple housing units stood at 3.0 units per 10,000 population, remaining higher than its historical average of 2.3 units. The ratio had trended higher than its historical average over the last few years but started to move down in late 2013. As builders limit starts of new multiple housing units, inventory levels are expected to continue to trend down in 2014 and 2015.

Overall, these effects will result in multiple housing starts remaining relatively unchanged, at 110,600 units, in 2014 and then moderating to 108,700 units in 2015.

Multiple housing starts are expected to range between 104,200 and 117,000 units for 2014 and between 96,600 and 120,800 units for 2015, reflecting potential risks to the outlook.

MLS® sales expected to rebound in 2014 and increase slightly in 2015

The improving economic conditions that prevailed in the first half of 2013 supported a sustained recovery of resale activity in the second half of the year. Reflecting the balance of these developments over the course of the year, existing home sales on an annual basis reached 457,485 transactions in 2013, up by a slight 0.8 per cent when compared to 2012.

In 2014 and 2015, MLS® sales are expected to continue to rise along with improving economic conditions. While economic conditions will gain further momentum in the latter part of the forecast horizon, sales growth is expected to be somewhat restrained by a modest rise in mortgage rates. Also, slower demographic growth among the 25 to 34 year age group will contribute to curb the growth in sales. However, this reduction in demand for existing units will be mitigated by a shift in the overall housing demand toward relatively more affordable housing options as mortgage rates begin to increase.

Consistent with these trends, CMHC's point forecasts are 466,500 MLS® sales in 2014 and 474,700 MLS® sales in 2015. MLS® sales are expected to be between 436,000 and 497,000 units in 2014 and between 443,400 and 506,000 units in 2015, reflecting potential risks to the outlook.

Balanced market conditions expected to prevail over forecast horizon

In 2013, the resale market remained in or near balanced market conditions[6] across most local housing markets in Canada. However, for most of the year, the growth in sales outpaced the rise in new listings. Consequently, the MLS® average price reached $382,543, up 5.3 per cent from 2012.

Moving forward, sales are expected to rise at a pace similar to the growth

[5] Demographic forecasts are based on Statistics Canada's medium-growth population projection. Statistics Canada, table 052-0005, Projected population, by projection scenario, sex and age group as of July 1, Canada, provinces and territories, annual.

[6] Taking the Canadian MLS® market as a whole, a sales-to-new listings ratio below 40 per cent has historically accompanied prices that are rising at a rate that is less than inflation, a situation known as a buyer's market. A sales-to-new listings ratio above 55 per cent is associated with a seller's market. In a seller's market, home prices generally rise more rapidly than overall inflation. When the sales-to-new listings ratio is between these thresholds, the market is said to be balanced.

in new listings. As a result, balanced market conditions are expected to persist in most regions across Canada throughout the forecast horizon, and the average MLS® price is expected to remain relatively stable at a rate slightly above inflation.

According to the latest Bank of Canada Monetary Policy Report, published in January 2014, "*CPI* (consumer price index) *inflation* [is] *projected to remain around 1 per cent in the first half of 2014 and to increase very gradually toward the target* (2.0 per cent)."[7]

The average MLS® price is expected to increase by 2.1 per cent to reach $390,400 in 2014. In 2015, the average MLS® price should move up modestly, to $397,100, for an increase of 1.7 per cent.

The average MLS® price is forecast to be between $380,100 and $400,700 in 2014 and between $384,300 and $409,900 in 2015. The range reflects potential risks to the outlook.

Provincial summary

In 2014, housing starts will decline in seven out of ten provinces. Growth in Alberta, British Columbia and Quebec is expected to make up for the moderation of starts that will be recorded elsewhere in the country. As a result, housing starts will remain relatively unchanged at the national level. Regional differences reflect the expectation of stronger fundamentals in Alberta and British Columbia, including stronger employment and economic growth, than in the rest of the country.

Stronger economic and demographic fundamentals in 2015 will help support a modest increase in housing starts in Manitoba and Quebec next year, while British Columbia is expected to show no change. However, Newfoundland and Labrador, New Brunswick, Nova Scotia, Prince Edward Island, Ontario and Saskatchewan are expected to post lower housing starts for a second consecutive year. Starts in Alberta are forecast to slow at a similar pace than the national average.

Almost all provinces are expected to see higher MLS® sales in 2014, except New Brunswick, Prince Edward Island and Newfoundland and Labrador. The growth in existing home sales in British Columbia and Alberta is expected to push the national average number of MLS® transactions higher in 2014. It is expected that the growth in average MLS® home prices will be near the national rate of inflation in all provinces in 2014, except for Prince Edward Island and New Brunswick, where house price growth is anticipated to be weaker than the rate of inflation. In Ontario, Manitoba, Saskatchewan and Alberta, average MLS® home prices will trend somewhat higher than the national average.

In 2015, New Brunswick and Newfoundland and Labrador will see sales trend down, as will Prince Edward Island. All other provinces are expected to post increases in existing home sales. Existing home sales in British Columbia and Alberta are expected to grow at a pace closer to the national average in 2015. Average MLS® home prices are forecast to be generally in line with the outlook for inflation nationally, except in the Prairies, which will see an increase in prices slightly above the national average as a result of relatively stronger economic growth and fairly high net migration (see pages 8 to 17 for the detailed provincial outlooks).

Trends Impacting Housing[8]

Gross domestic product growth will remain supportive

In accordance with the consensus among prominent Canadian economic forecasters, growth in gross domestic product (GDP) is forecast at 2.2 per cent in 2014, before rising to 2.5 per cent in 2015. This compares to a GDP growth estimate of 1.8 per cent in 2013.

Over the forecast horizon, the sources of economic growth are expected to be more diverse. While consumption will continue to provide support, the contribution of business investment and exports to economic growth will expand as they progressively strengthen in 2014 and 2015.

Employment to stay supportive

According to Statistics Canada, employment increased by 225,500 in 2013, a 1.3 per cent gain from 2012. This is attributable to annual average growth of 1.7 per cent in part-time employment and 1.2 per cent in full-time employment. Based on the consensus among prominent Canadian forecasters, CMHC expects that employment will grow by 1.5 per cent in 2014 and 1.8 per cent in 2015.

The anticipated employment growth is expected to sustain moderate income growth and household formation over the forecast horizon. This will, in turn, support demand on the housing market.

[7] As published in the Bank of Canada Monetary Policy Report, January 22, p. 17.

[8] CMHC uses publicly available information and the consensus among major Canadian forecasters regarding economic assumptions.

Net migration will remain high from a historical standpoint

Canada will continue to attract a high level of immigrants over the forecast horizon. Total net migration is expected to reach 262,700 people in 2014. While this number is lower than the estimated 282,700 migrants in 2013, it remains 6.0 per cent above the 10-year average of about 247,400 people. Net migration is expected to increase to 266,450 in 2015.

High levels of net migration, by historical standards, will help support Canada's housing sector. New migrants tend to enter the rental market before moving to homeownership. Consequently, over the forecast horizon, migration will contribute to supporting demand for multi-family housing, including purpose-built rental apartments and rental condominium units.

Mortgage rates to potentially see gradual and modest increases but will remain low by historical standards

Consistent with a somewhat higher economic growth prospect, interest rates are forecast to register gradual and modest increases by the end of the forecast horizon, ultimately leading to a slight increase in mortgage rates. Nevertheless, this interest rate outlook will continue to support housing market activity over the forecast horizon, as mortgage rates will remain low by historical standards.

According to CMHC's base case scenario for 2014, the average for the one-year posted mortgage rate is forecast to be within 3.0 per cent to 3.50 per cent, while the average for the five-year posted mortgage rate is anticipated to be within 5.25 per cent to 5.75 per cent. For 2015, the average for the one-year posted mortgage rate is expected to rise and be in the 3.75 per cent to 4.25 per cent range, while the average for the five-year posted mortgage rate is forecast to be within 5.50 per cent to 6.25 per cent.

Vacancy rates to remain stable over the forecast horizon

The average rental apartment vacancy rate in Canada's 35 major census metropolitan areas[9] (CMAs) increased slightly to 2.7 per cent in October 2013, from 2.6 per cent in October 2012[10]. This rate is expected to decline slightly, to 2.6 per cent, in 2014 and to reach 2.7 per cent in 2015.

Vacancy rates for purpose-built rental apartments are expected to remain low over the forecast horizon and help support multiple-unit housing construction, particularly in 2014.

Risks to the Outlook

This outlook is subject to some risks, including the following:

- The number of multiple housing units currently under construction in some local markets remains relatively high from a historical standpoint. As these units are progressively completed, inventories of newly completed and unabsorbed units may rise in the short to medium term, if they are not entirely absorbed by demand. Should the inventory of new units increase inordinately, builders may delay or reduce the size of some construction projects. This could lead to a sharper-than-expected moderation in starts.
- Growth in household credit has moderated overall in 2013, despite a small increase toward the end of the year. Nonetheless, levels of household debt have remained relatively high. With historically elevated house prices in some urban centres, these factors have made the country's economy more vulnerable to some economic shocks. For instance, if interest rates were to increase faster than expected, or if a sharp deterioration in employment were to occur, some of the more heavily indebted households could be forced to liquidate some of their assets, including their home. This could put downward pressure on house prices and, more generally, on housing market activity. Although this risk can arise in the shorter term, its impact would not be immediate on most indebted households because of the prevalence of fixed mortgage terms.
- A stronger than expected U.S. economic growth could positively impact Canadian economic growth, contributing to a higher level of activity in Canada's housing markets.
- Euro-area GDP has recently begun to show some signs of a slow recovery. If this trend does not persist, or if financial conditions were to deteriorate in Europe, this could negatively impact the global financial markets. In turn, this could affect Canadian financial markets and economy. While Canada is regarded as having a stable financing system, bond yields in Canada would likely increase, pushing up mortgage rates.

[9] Major centres are based on Statistics Canada census metropolitan areas (CMAs), with the exception of the Ottawa-Gatineau CMA, which is treated as two centres for Rental Market Survey purposes, and Charlottetown, which is a census agglomeration (CA).

[10] Rental vacancy rates are for purpose-built rental apartments, and do not cover condominium units that are offered up for rent by owners on the secondary rental market.

- As the economies of some emerging-market countries remain vulnerable, a slowdown in more than one of them or in a country as large as China could lead to spillover effects in other emerging-market economies. This could affect the world financial system, which, in turn, could negatively impact demand for Canadian exports, among other things. These factors would contribute to weakening the Canadian economy and could lead to lower demand in Canada's housing market.

TRENDS AT A GLANCE

Key factors and their effects on housing starts

Mortgage rates	Mortgage rates will remain low by historical standards and supportive of housing demand.
Employment	In 2013, employment increased by 225,500, a 1.3 per cent gain from 2012. Based on the consensus among prominent Canadian forecasters, CMHC expects that employment will grow by 1.5 per cent in 2014 and 1.8 per cent in 2015. The anticipated employment growth is expected to sustain moderate income growth and household formation over the forecast horizon. This will, in turn, support demand on the housing market.
Income	Growth in incomes is expected to increase modestly as economic conditions in Canada are expected to improve. As a result, income growth will remain supportive of housing demand over the forecast horizon.
Net migration	Canada's economy is expected to continue to attract a high level of immigrants (net international migration). As a result, the level of net migration will remain above historical average and will help support Canada's housing sector.
Population[11]	By the end of the forecast horizon, all regions but Quebec will see the growth rate of their population aged 25 to 34 decline, according to Statistics Canada's projections. By the end of the current decade, the growth rate of population aged 25 to 34 will be negative or very close to zero in most regions, and will bring downward pressure on demand for multi-family housing. Furthermore, a steady decline in Canada's natural birth rate should lessen the demand for additional housing stock beyond the forecast horizon. Population aging is also likely to impact the type and tenure of housing in demand.
Resale market	Resale market conditions for 2014 and 2015 are expected to be near balanced market conditions in most local markets. As a result, the average MLS® price is expected to remain relatively stable, at a rate slightly above inflation.
Vacancy rates[12]	The average vacancy rate of purpose-built rental apartments across Canada's metropolitan centers is expected to decline slightly, to 2.6 per cent, in 2014 and to reach 2.7 per cent in 2015. Vacancy rates for purpose-built rental apartments are expected to remain low over the forecast horizon and help support multiple-unit housing construction, particularly in 2014.
Stock of new and unabsorbed units	The stock of newly completed and unabsorbed housing units to population trended higher over the second half of 2012 and in the first quarter of 2013, but has since moved back toward the historical average. Nevertheless, should the inventory increase inordinately, builders may delay or reduce the size of some housing projects. This could lead to a sharper-than-expected moderation in housing starts.

[11] Demographic forecasts are based on Statistics Canada's medium-growth population projection.

[12] Rental vacancy rates are for purpose-built rental apartments, and do not cover condominium units that are offered up for rent by owners on the secondary rental market.

British Columbia

Overview

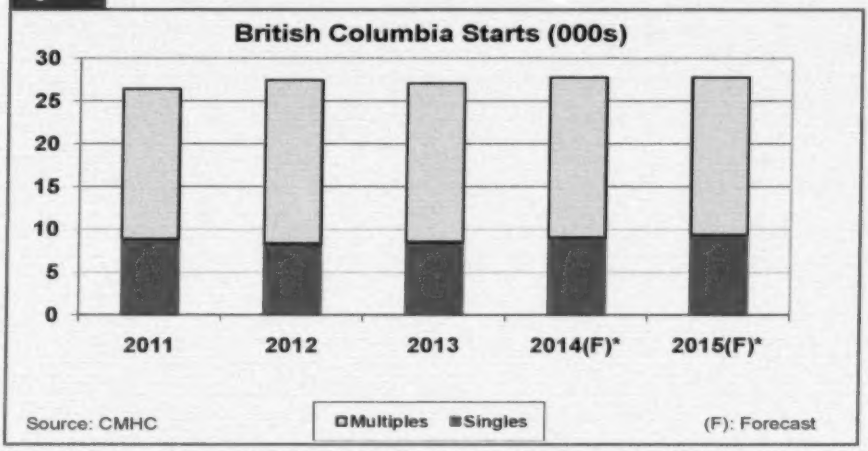
The British Columbia economy is forecast to grow at a slightly faster pace in 2014 and 2015, compared to 2013. With a projected improvement in labour markets and ongoing population growth, consumer demand for goods and services, including housing, is expected to contribute to economic growth. Real GDP is forecast to increase 2.3 per cent in 2014 and 2.8 per cent in 2015, compared to an estimated 1.7 per cent in 2013.

Growth in employment and incomes is expected to generate demand for housing during the forecast horizon. Employment is expected to grow 1.5 per cent in 2014 and 2.4 per cent in 2015, following a slight contraction in 2013. Despite no employment growth in 2013, a rising share of full-time employment boosted growth in average weekly wage rate above the national average. This rising trend is forecast to continue.

The unemployment rate is forecast to move up to 6.7 per cent in 2014, from 6.6 per cent in 2013, despite the projected pick-up in employment growth next year. The higher unemployment rate is a result of an expected turnaround in interprovincial migration and people returning to the labour market. In 2015, higher employment growth will result in a lower unemployment rate of 6.4 per cent.

Population growth is forecast to average about one per cent per year[13]. Net international migration, which added more than 41,000 people to the province in 2013, is expected to stabilize during the next two years

Figure 1



*The point estimate for provincial total housing starts is 27,800 for 2014 and 27,800 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 26,200-29,600 units for 2014 and 24,600-31,000 for 2015.

at a level similar to 2013. This is expected to contribute to house price growth and lower rental vacancy rates.

Housing starts are projected to total 27,800 units in 2014 and remain at that level in 2015, with a slight shift toward single-detached housing starts as the economy and labour market gain traction.

In Detail

Single Starts: Single-detached home starts are forecast to increase to 9,100 units in 2014 and 9,400 units in 2015. Based on historical data, single-detached homes tend to be the preferred housing type in most areas of the province. As the economy gains traction and growth in employment and incomes increases, expect a slight shift to single-detached home starts.

Multiple Starts: Multiple housing starts are projected to total 18,700 units in 2014 and 18,400 units in 2015, compared to 18,532 units in 2013. Starts of apartment condominiums, townhomes and semi-detached homes are forecast to remain relatively unchanged, as the combination of current multiple housing units under construction, the existing inventory of newly completed and unabsorbed units, and a well-supplied resale market are expected to satisfy some of the demand for denser housing types.

Resales: Existing home sales, as measured by MLS® transactions, are projected to remain below levels recorded in the pre-2009 period, despite an upward trajectory. Expect 76,000 resales in 2014 and 77,300 resales in 2015, compared to 72,936 resales in 2013.

Prices: The MLS® average price is forecast at $542,500 in 2014 and $547,100 in 2015. The upward trend in the MLS® average price in 2013 is expected to lead to increased new listings in 2014. With the increased supply of existing homes for sale providing more choice to homebuyers the MLS® average price is forecast to grow at a pace slower than the general rate of inflation.

[13] Source: B.C. Stats population projections, CMHC calculation.

Alberta

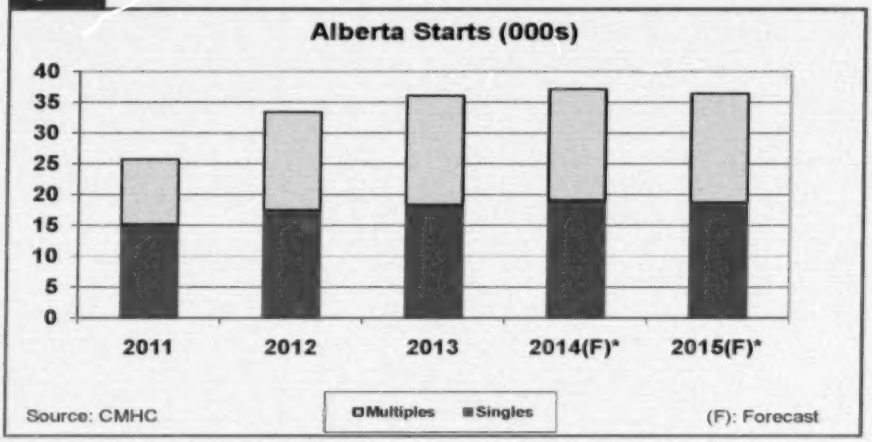
Overview

Alberta's real GDP is projected to increase by 3.1 per cent in 2014 and 3.0 per cent in 2015. Flooding in southern Alberta slowed economic activity in 2013. However, expenditures on flood remediation will provide a lift to the economy in 2014 and, to a lesser extent, in 2015. A faster growing U.S. economy in 2014 is also expected to help increase Alberta's exports, which are primarily energy based. Energy demand pressure will also drive investment in Alberta's oil sands, which are expected to remain a key pillar of capital investment growth. Finally, rapid population growth and rising incomes will continue to support higher spending on goods and services through 2015.

Economic activity is projected to generate employment growth of 2.3 per cent in 2014 and 2.2 per cent in 2015. Tight labour market conditions are expected to persist, as Alberta's unemployment rate is forecast to average 4.5 per cent in 2014 and 4.4 per cent in 2015. Many people are being drawn into Alberta by rising wages and employment opportunities.

Alberta's population was growing at around 3.5 per cent in 2013, thanks to a projected record level of net migration of 100,000 people. Net migration to Alberta over the forecast period is expected to moderate somewhat, as improving economic growth in other provinces reduces the magnetic draw for migrants. Nevertheless, supported by still elevated net migration of 71,000 people in 2014 and 63,000 in 2015, Alberta's population will be growing by around 2.5 per cent, helping to drive economic growth and housing demand.

Figure 2



*The point estimate for provincial total housing starts is 37,100 for 2014 and 36,400 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 35,000-39,600 units for 2014 and 32,000-40,800 for 2015.

In Detail

Single Starts: After reaching 18,431 units in 2013, single-detached starts are projected to increase to 19,100 in 2014 and remain near this level at 18,800 in 2015. A higher level of demand relative to supply in Alberta's major resale markets is expected to continue to support new home construction in 2014. As sales rise relative to listings of existing homes, buyers are increasingly meeting their needs in the new home market. By 2015, supply levels in the resale market and new home market are projected to rise and moderate housing starts.

Multiple Starts: After rising to 17,580 units in 2013, multiple housing starts are projected to increase to 18,000 units in 2014 and then moderate to 17,600 units in 2015. Since the low level of production during the recession of 2009, multiple housing starts have increased due to buyers looking for new product and builders responding to low inventory. While supply levels are still below the 2008 peak, it is expected that inventory will begin to turn upward and moderate production of multiple housing starts in 2015.

Resales: Rising wages and employment growth will support a higher level of sales over the forecast horizon. After rising to 66,080 units in 2013, MLS® sales are projected to increase to 68,500 in 2014 and to 70,100 in 2015.

Prices: The average MLS® price will increase from $380,969 in 2013, to $391,100 in 2014, and rise to $401,000 in 2015. At the end of 2013, the sales-to-new listings trend was indicative of a market favourable to sellers and supporting price growth. However, new listings are projected to increase in 2014 and 2015, providing buyers with more options and moderating the pace of price increases.

Saskatchewan

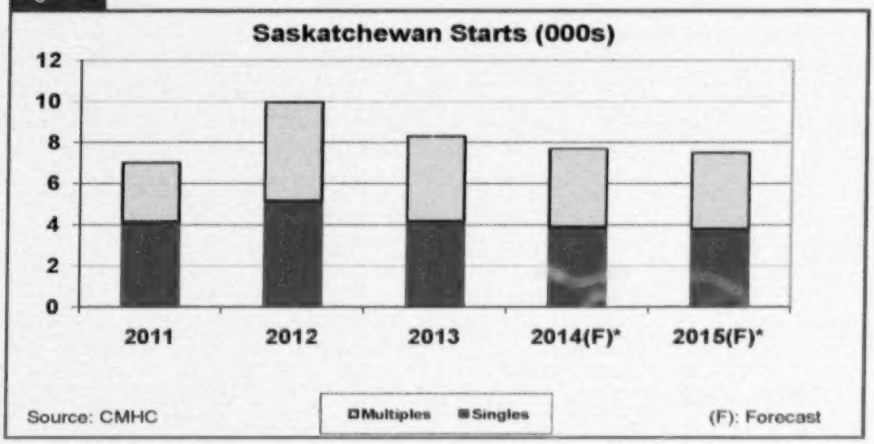
Overview

Saskatchewan's real GDP is projected to increase by 2.4 per cent in 2014 and 2.6 per cent in 2015. An improving global economic outlook is expected to help increase Saskatchewan's exports, thus generating more economic growth. However, economic activity in Saskatchewan will be held back by lower potash prices, which will impact production and investment in this sector. Nevertheless, rising wages and an expanding population will support consumer spending.

Employment growth in Saskatchewan is projected to slow from over 3.4 per cent in 2013 to 2.1 per cent in 2014 and 1.8 per cent in 2015, as investment in the potash and uranium industries is being impacted by lower commodity prices. The rapid increase in employment in 2013 brought the unemployment rate down to 4.0 per cent in 2013. Moving forward, lower employment growth relative to labour force growth will generate an unemployment rate of 4.2 per cent in 2014 and 4.3 per cent in 2015, still low relative to other provinces.

Net migration will continue to support housing demand, with 12,700 additional people projected to move to Saskatchewan in 2014 and another 10,800 expected in 2015. Migration flows to Saskatchewan are projected to remain substantial, but will be below the high levels experienced in 2012 and 2013. Improving economic conditions in other provinces will moderate the inflows of migrants to Saskatchewan over the forecast period.

Figure 3



*The point estimate for provincial total housing starts is 7,700 for 2014 and 7,500 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 7,300-8,200 units for 2014 and 6,600-8,400 for 2015.

In Detail

Single Starts: After declining to 4,184 units in 2013, single-detached starts are forecast to edge lower to 3,900 units in 2014, and to 3,800 units in 2015. Rising supply and slower net migration will moderate demand for new single-detached homes. Regardless, single-detached starts will remain above the ten-year average, but higher completions relative to absorptions will build inventory and will further ease the pace of new construction.

Multiple Starts: After decreasing from an elevated level to 4,106 units in 2013, multiple housing starts are forecast to moderate further to 3,800 units in 2014, and 3,700 units in 2015. Rising inventory and a significantly higher number of units under construction at the end of 2013 will motivate some builders to either delay or slow the pace of initiating new projects in 2014 and 2015.

Resales: Saskatchewan MLS® sales in 2014 are expected to reach 13,800 units, slightly higher than the level achieved in 2013, due to continued employment growth and population gains. Additional listings will also offer more selection to prospective home buyers. A modest rise to 14,000 units is forecast for 2015.

Prices: With balanced market conditions expected to prevail throughout the forecast period, the average MLS® price is projected to continue to rise. Following a gain in 2013 to $288,698, the average MLS® price in Saskatchewan is projected to rise to $295,700 in 2014 and to $302,700 in 2015.

Manitoba

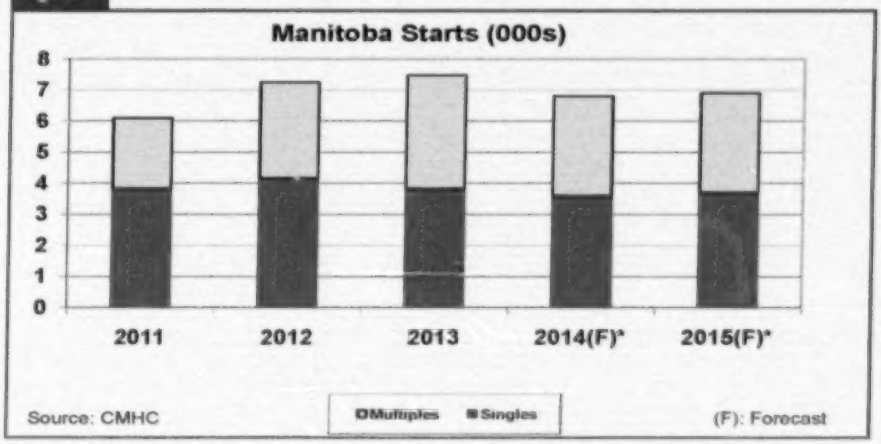
Overview

Manitoba's real GDP is projected to rise by 2.2 per cent in 2014 and 2.5 per cent in 2015. Increased demand for Manitoba's exports will help support the economic expansion through the forecast period. These factors will contribute to stronger employment growth, which will help lift consumer spending.

Employment in Manitoba is projected to rise by one per cent in 2014 and 1.2 per cent in 2015. In 2013, employment growth was less than one per cent, mostly due to part-time employment gains, as full-time employment growth was tepid. With the labour force growing at a similar pace to employment over the forecast horizon, the unemployment rate is expected to remain relatively stable at 5.5 per cent in 2014 and 5.4 per cent in 2015.

Following an estimated gain of 8,600 people in 2013, net migration to Manitoba is expected to continue to moderate to 8,500 in 2014 and 8,400 in 2015. The Provincial Nominee Program will continue to draw international migrants to Manitoba, but improving economic conditions outside of Manitoba will slow the inflow of migrants from other provinces. Nonetheless, net migration will remain elevated and supportive of housing demand.

Figure 4



*The point estimate for provincial total housing starts is 6,800 for 2014 and 6,900 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 6,400-7,300 units for 2014 and 6,000-7,800 for 2015.

In Detail

Single Starts: Manitoba's single-detached housing starts are projected to moderate to 3,600 units in 2014, and edge slightly higher to 3,700 units in 2015. In 2013, a marginal increase in full-time employment and wage growth below inflation held back some new home purchases. Looking ahead, stronger employment gains and increasing earnings, with gradual and modest increases in mortgage rates, will keep demand relatively stable over the forecast period.

Multiple Starts: Increasing inventories and higher vacancy rates will cause multiple housing builders to moderate production to 3,200 starts in both 2014 and 2015. This comes after multiple starts increased to 3,645 units in 2013. The moderation in housing starts will allow inventories to be drawn down over the course of 2014. Demand continues to be fuelled by population growth in key demographic sectors favouring multiple housing.

Resales: A rebound in sales in the latter part of 2013 will continue over the forecast horizon, bringing MLS® sales to 14,000 in 2014, and increasing moderately to 14,200 in 2015, as population growth continues to drive demand. Buyers will also benefit from an increase in selection as the number of active listings trends higher.

Prices: The average residential MLS® price in Manitoba is forecast to continue to rise over the forecast period, reaching $267,000 in 2014 and $274,300 in 2015. Moderate increases in sales will be outstripped by increases in new listings. This will result in balanced market conditions over the forecast period, and reduce upward pressure on prices.

Ontario

Overview

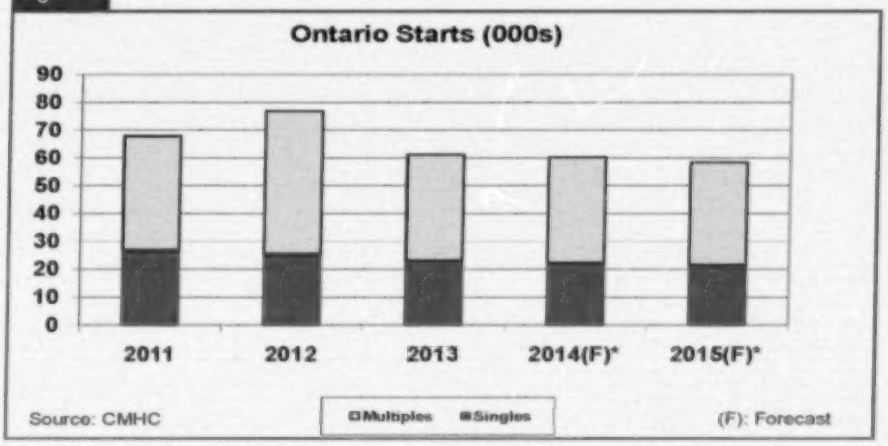
Ontario economic growth will gradually improve over the forecast horizon rising from an estimated 1.6 per cent in 2013 to 2.6 per cent by 2015. This represents the first time in over a decade that Ontario will match national growth. While the consumer and public sectors will contribute less to overall growth, the business and export sector is expected to be the engine supporting Ontario's economy. Consensus among Canadian private forecasters suggests that the U.S. economy will gain traction over the forecast horizon thanks to improving home and vehicle sales and rising industrial production. This will, in turn, contribute to sustain Ontario's economic growth.

An improving economy will boost Ontario job growth from 1.4 per cent in 2013 to 1.9 per cent by 2015. Part-time employment has held up better for most of 2013. As risks to the global economy subside, businesses will gain confidence and hire workers on a full-time basis. The recent Bank of Canada Business Outlook supports this view. Ontario's unemployment rate should trend lower and reach 7.3 and 6.9 per cent in 2014 and 2015, respectively.

Migratory outflows from Ontario will lessen as a rebalancing of economic growth takes hold across the country in the years ahead. Also, Ontario's share of international migration will gradually trend back to historical averages. Net migration to Ontario will rise and reach 87,600 and 95,500 net migrants by 2014 and 2015 respectively.

Ontario home starts will stabilize over the next two years. After declining in 2013, starts will ease only modestly over the forecast horizon from 61,085 units in 2013 to 60,200 and 58,300 units in 2014 and 2015, respectively. Residential construction will be limited by high levels of apartment units under construction and more choices for buyers on the resale market.

Figure 5



*The point estimate for provincial total housing starts is 60,200 for 2014 and 58,300 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 56,700-64,200 units for 2014 and 51,500-65,100 for 2015.

In Detail

Single Starts: Single-detached starts will register 22,400 and 21,600 units in 2014 and 2015, respectively. Improving employment and income growth, tighter resale market conditions for detached housing and low inventories of unsold single-detached homes will continue to support single-detached construction.

Multiple Starts: Multiple housing starts will slow to 37,800 and 36,700 units in 2014 and 2015, respectively, from 2013 levels. The apartment sector has captured a growing share of new home activity in recent years. Condominium demand will continue to be supported by price sensitive first-time buyers and a growing pool of empty nesters aged 55 to 64, both of which are groups that will comprise about 60 per cent of growth in demand in the years ahead. However, a shift from apartments toward semi-detached and row construction will occur over the forecast period given more modest inventories for these dwelling types.

Resales: The existing home market will gain ground against the new home sector. MLS® sales will reach 199,600 in 2014, 203,400 in 2015, after registering 198,675 transactions in 2013. A growing stock of resale housing will provide more choice to potential home buyers.

Prices: Ontario MLS® home prices will reach $412,100 and $419,700 in 2014 and 2015, respectively. A slower pace of price growth will be the norm over the forecast horizon, thanks to a more balanced housing market. A balanced Ontario resale market suggests prices will grow in line with the general rate of inflation. Nevertheless, single-family MLS® home prices should outpace higher-density home values thanks to tighter supply conditions for low-density housing.

Quebec

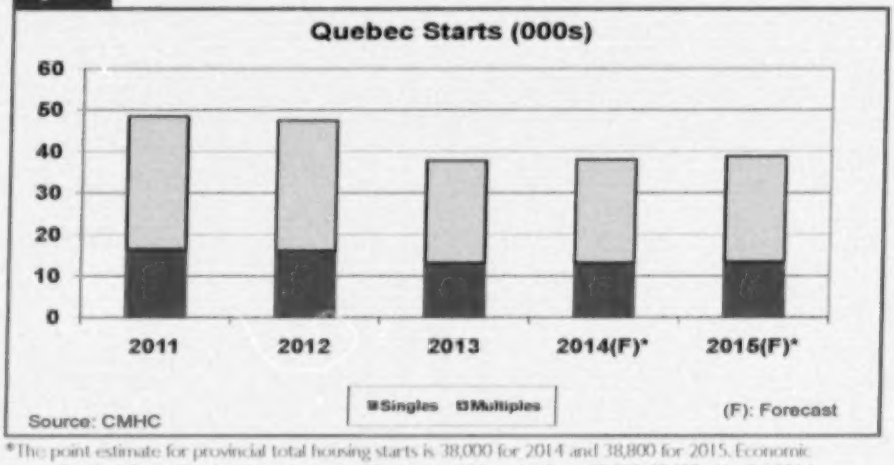
Overview

Moderate economic and employment growth will limit demand of existing and new homes this year and next. In addition, relatively high inventories of new and existing dwellings will also constrain the number of starts.

Quebec's economy is fuelled by moderate consumer and public spending. Meanwhile, despite a slightly more favourable exchange rate, demand for exports is far from its full potential. As the Canadian economy gains momentum, so will economic growth in the province. Thus, GDP growth of 1.7 per cent and 2.0 per cent is expected in 2014 and 2015, respectively. Accordingly, employment will continue to progress at a rate of 1.4 per cent in 2014 and 1.5 per cent in 2015.

On the demographic front, total net migration will be limited by more attractive labour markets in other provinces. This said, sustained immigration to the province will still have a positive impact on demand in the rental market. Total net migration is expected to approach 44,000 persons this year and 46,000 persons in 2015. During this period, moderating formation of younger households will cool first-time buying, and population aging will continue to prompt some older households to downsize.

Figure 6



*The point estimate for provincial total housing starts is 38,000 for 2014 and 38,800 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 35,900-40,400 units for 2014 and 34,300-43,300 for 2015.

In Detail

Single Starts: Following a drop in 2013, starts of single-detached homes will remain relatively stable during the next two years, reaching 13,200 in 2014 and 13,400 in 2015. Future demand will be influenced by moderate employment growth, the continued easing of the resale market, and the trend toward multiple housing.

Multiple Starts: After coming back down to a level that is more in line with the demographic trends, multiple housing starts will also stabilize this year and next. This market segment will continue to be supported by its relative lower price in comparison to new single-detached homes. Further growth will be limited by relatively high levels of supply of new and resale housing, which will provide more choice to potential home buyers. Starts of multiple dwellings will be at 24,800 units in 2014 and 25,400 in 2015.

Resales: Sales of existing houses recorded by Centris®[14] should increase slightly this year, in line with moderate employment growth. Following a certain rebound in the second half of 2013, resales will continue on this trend and reach the 73,900 level this year. In 2015, buying conditions will be somewhat impeded by anticipated slightly higher interest rates. Nonetheless, 75,000 Centris® resales will be achieved next year.

Prices: With lower demand and rising supply, prices of resale homes will post marginal growth during the forecast horizon. A gradual return to more balanced market conditions will keep price growth around the one per cent mark this year and next. As a result, the average price recorded by Centris® will reach $265,800 this year and $269,000 in 2015.

[14]The Centris® system contains all the listings of Quebec real estate brokers.

New Brunswick

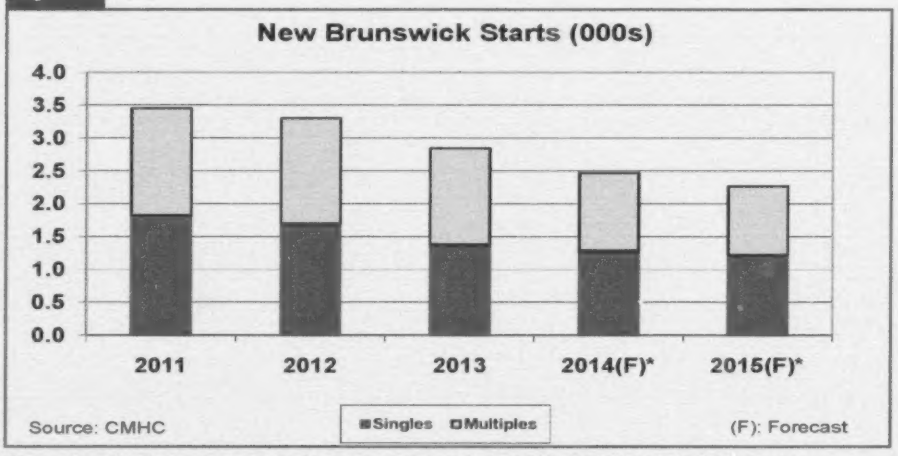
Overview

GDP is expected to remain weak over the forecast period following an estimated 0.2 per cent growth in 2013. The economic outlook over the forecast horizon will remain below one per cent, at 0.6 per cent in 2014 and 0.9 per cent in 2015. The current economic weakness in the province stems, in part from reduced capital investment and public-sector fiscal restraint. The natural resources sector, which is the main economic driver for the province, is expected to post weak results in both 2014 and 2015. More precisely, the potential economic gains associated with the forestry industry are expected to be offset by weak results in the mining industry.

New Brunswick labour market conditions will remain weak in 2014, as employment growth is projected to remain soft. Employment growth is expected to reach 0.4 per cent in 2014, after declining 0.1 per cent in 2013. By 2015, employment growth is expected to rise to 0.8 per cent. A slower pace of growth in the labour force over the forecast period will result in the unemployment rate rising to 10.6 per cent in 2014. In 2015, the unemployment rate is expected to remain at 10.6 per cent as employment is offset by labour force growth.

The growth prospects for the province continue to be muted by a lack of population growth and a negative outlook for net migration. International migration is expected to be approximately 1,000 people per year for 2014 and 2015. Despite the positive totals for international migration, negative interprovincial migration numbers over the forecast period will result in negative net migration in both 2014 and 2015.

Figure 7



*The point estimate for provincial total housing starts is 2,465 for 2014 and 2,270 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 2,325-2,640 units for 2014 and 2,000-2,540 for 2015.

In Detail

Single Starts: Rising out-migration from the province's major centres to other parts of Canada as a result of challenging employment conditions will continue to have a cooling effect on demand for new homes and overall residential construction activity in 2014 and 2015. Single-detached starts are forecast to decline to 1,285 units in 2014 and to 1,225 units in 2015.

Multiple Starts: Above average building activity in the rental market since the beginning of 2010, particularly in Moncton and Fredericton, has resulted in excess supply in these markets. In addition, rental demand in the province is expected to decline over the forecast period due to rising out-migration. This will continue to exert upward pressure on local vacancy rates. As a result, developers are expected to begin pulling back in new rental projects. Multiple housing starts are expected to decline to 1,180 units in 2014, with a further decline to 1,045 units in 2015.

Resales: The existing market will increasingly benefit home buyers for the province's three largest centers, as price growth is slowing and listings have been on the rise, resulting in buyer's market conditions. With no significant rise in employment expected in the near term and negative net migration for the province, demand for existing homes is forecast to slow. MLS® sales should decline to 6,100 units in 2014, with a further decline to 5,900 in 2015.

Prices: The inventory of available homes is expected to remain at historically high levels in New Brunswick's large urban centres in 2014 and 2015, due to a weak demand. This will continue to impact the level of price growth. The MLS® average price is expected to decline moderately to $162,000 in 2014, and $161,500 in 2015.

Nova Scotia

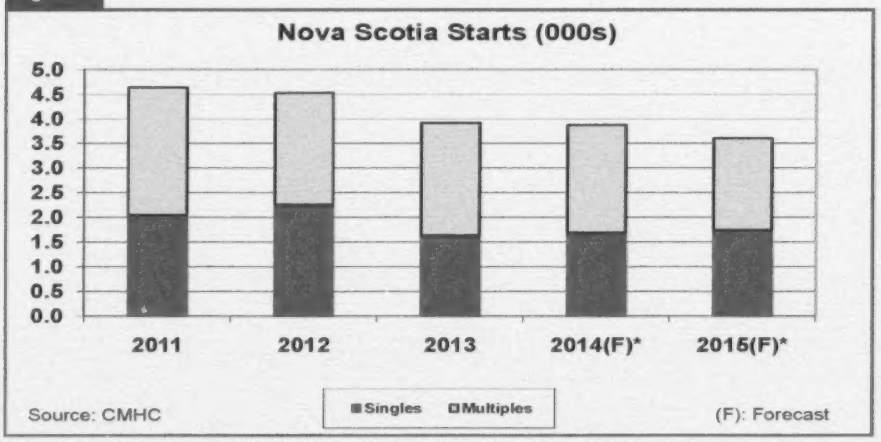
Overview

The province of Nova Scotia is expected to record economic growth of one per cent in 2014 and 1.6 per cent by 2015. This is above the estimated 0.5 per cent growth for 2013. Economic conditions are expected to improve in 2014 and 2015, as the manufacturing sector will see a return to positive growth due to increased investment focused on productivity improvements. Continued site development and pre-engineering work at the Halifax Shipyard in 2014 will be followed by actual ship building activity in 2015, resulting in an improved economic outlook for the city of Halifax. Furthermore, a rise in the production of natural gas should contribute to economic growth in 2014 and 2015.

Nova Scotia labour market conditions remained weak in 2013. As a result, employment was relatively unchanged in 2013. Total employment is expected to grow by 0.5 per cent in 2014, followed by a rise to one per cent by 2015, due to a moderate rise in private sector investment activity. A lower level of growth in employment in 2014 compared to labour force growth will impact the unemployment rate which will reach 9.3 per cent. The unemployment rate is expected to remain at 9.3 per cent in 2015, as the growth in the labour force and employment will remain relatively unchanged at one per cent.

In 2013, interprovincial net migration is estimated to record a loss of 4,600 people. In 2014 and 2015, expect interprovincial migration to remain negative at 2,500 and 1,000, respectively. International migration was forecast to have added close to 1,850 people in 2013. The two-year international migration forecast is estimated to add 1,500 people in 2014 and 1,750 people in 2015. Total net migration is expected to be negative in 2014 and to turn positive in 2015.

Figure 8



*The point estimate for provincial total housing starts is 3,875 for 2014 and 3,600 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 3,655-4,140 units for 2014 and 3,175-4,025 for 2015.

In Detail

Single Starts: Declining employment combined with elevated levels of net out-migration resulted in a reduction in the single-detached housing starts last year. In 2014, expect single starts to remain weak as net out-migration along with an aging population base will continue to shift demand away from single-detached construction. However, improving economic conditions in 2014 and 2015 will result in single-detached starts reporting modest increases to 1,690 and 1,750 units, respectively.

Multiple Starts: Nova Scotia's multiple housing market remained strong in 2013. In 2014 and 2015, apartment starts are expected to support provincial construction activity, specifically in Halifax. Demand for apartments will continue to be driven by an aging population base and their evolving needs. Apartment starts will be at 1,585 units in 2014 before declining to 1,250 units in 2015. Semi-detached and row units will remain a popular alternative over the forecast period reaching 600 units in both 2014 and 2015.

Resales: Following a decline in 2013, MLS® sales in Nova Scotia are forecast to climb to 9,300 units in 2014. In 2015, expected modest economic and employment growth will result in increased activity in the resale market, pushing sales up to 9,600 units.

Prices: Reduced activity in the market in 2013 resulted in the average MLS® price of an existing home declining by 1.5 per cent. In 2014 and 2015, average MLS® price in the province will experience little change at $218,500 and $219,500, respectively.

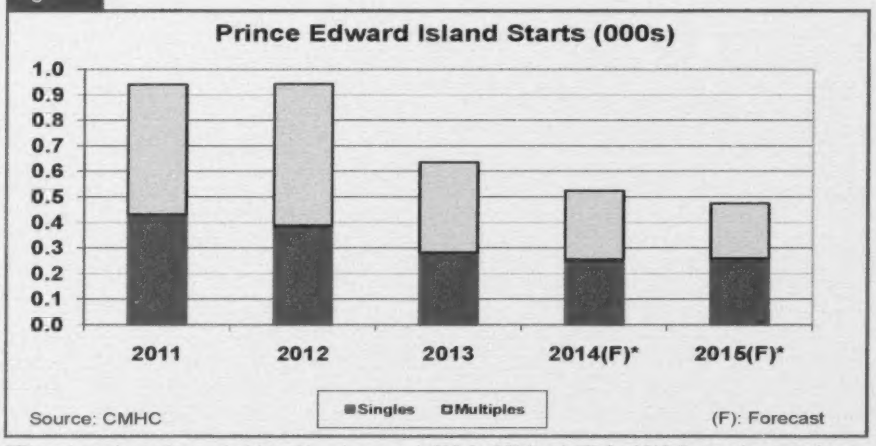
Prince Edward Island

Overview

For 2014 and 2015 economic growth is expected to remain close to one cent. Employment is forecast to grow by 0.8 per cent in 2014 and 2015. Labour force growth is expected to remain below employment growth in 2014, resulting in the unemployment rate declining to 11.2 per cent in 2014. Labour force growth is expected to match employment growth in 2015, at 0.8 per cent, resulting in the unemployment rate remaining at 11.2 per cent.

The economic prospects for the province will be held back by slower population growth, primarily due to continued out-migration. Net migration is expected to remain in the range of 350-400 people per year in 2014 and 2015, as an increase in international migration of about 900 people per year is offset by a rise in interprovincial outflows of approximately 500 people per year over the forecast period.

Figure 9



*The point estimate for provincial total housing starts is 525 for 2014 and 475 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 495-560 units for 2014 and 420-530 for 2015.

In Detail

Single Starts: A slowdown in migration and employment growth will reduce activity in the new single-detached segment of the market to 255 units in 2014, before increasing modestly to 260 units in 2015. Most of the housing activity is expected to be concentrated in and around Charlottetown.

Multiple Starts: Multiple housing starts began to slow in the second half of 2013, and are not expected to rise over the forecast period as the market will have to absorb the supply of new units. Multiple housing starts will moderate to 270 units in 2014, before declining further to 215 units in 2015. As a result of the elevated supply levels, the vacancy rate is expected to inch upward toward the end of the forecast horizon.

Resales: The pullback in migration, negative interprovincial migration coupled with a relatively high unemployment rate will impact housing sales in 2014 and 2015. MLS® sales are forecast to slow to 1,300 units in 2014 and to 1,200 units in 2015.

Prices: The weakness in sales activity and increased listings resulting from a soft demand over the forecast period will impact price growth. The average MLS® price is expected to decline to $155,500 in 2014 and $155,000 in 2015.

Newfoundland and Labrador

Overview

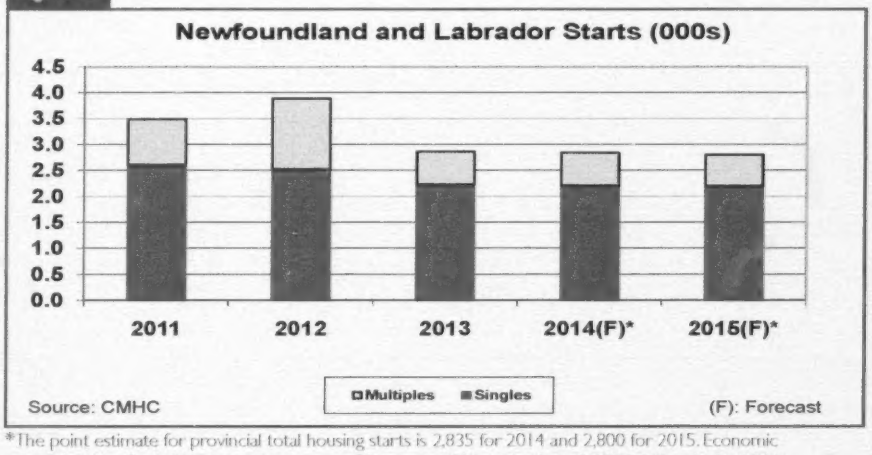
Newfoundland and Labrador (NL) is estimated to have had the best economic performance among Canadian provinces in 2013, with GDP estimated to have risen by 5.0 per cent. Growth is expected to moderate to 1.5 per cent in 2014. In 2015, as the outlook for investment activity begins to ramp up again, economic growth will increase to 1.8 per cent.

In 2013, growth was attributed to a jump in oil production and higher oil prices due to higher demand. The province's economic outlook in 2014 and 2015 will be supported by existing industries, but lower oil and iron production will slow down market activities.

In 2014, employment growth will be reduced to one per cent, compared to 1.2 per cent in 2013, as projects currently under construction reach the completion stage. As a result, the unemployment rate will reach 11.5 per cent in 2014. The expectations for 2015 are currently showing a small drop in the unemployment rate to 11.4 per cent.

Net migration will remain weak over the forecast period. Net migration will turn positive in 2015, with gains of 600 people after posting negative net migration numbers of 350 people in 2013 and 250 people in 2014. International migration will contribute moderately to population growth across all three years.

Figure 10



*The point estimate for provincial total housing starts is 2,835 for 2014 and 2,800 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 2,675-3,045 units for 2014 and 2,455-3,145 for 2015.

In Detail

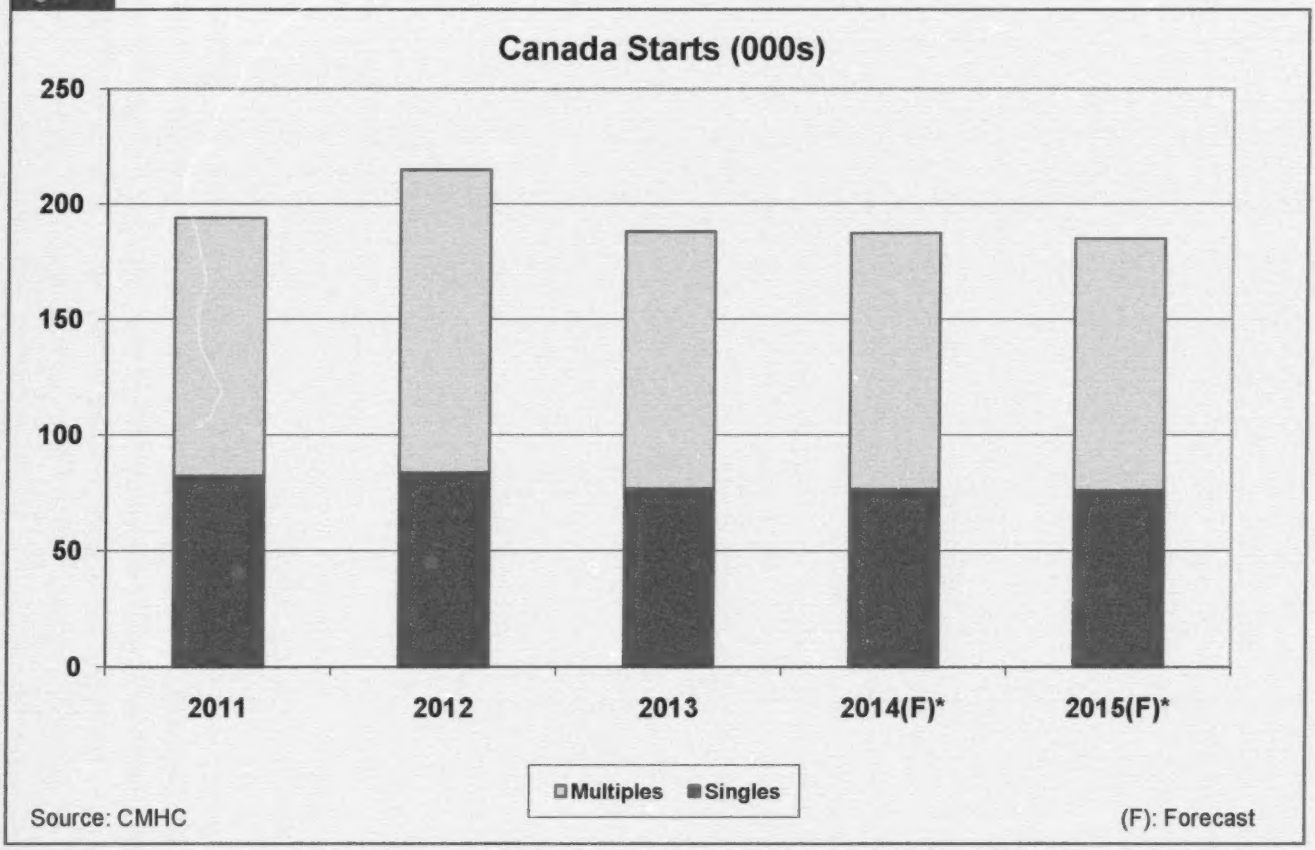
Single Starts: Slower population growth, coupled with a slowdown in the outlook for employment will reduce demand for housing. In addition, income growth has not been able to fully offset the effect of higher home prices. As a result, the level of single-detached starts will moderate going forward, resulting in the provincial single-detached housing market declining to 2,210 single starts in 2014 and to 2,200 single starts in 2015.

Multiple Starts: Multiple housing construction is expected to continue to decline for a second year in 2014, following two years of elevated levels of starts. The forecast is for 625 and 600 multiple housing units in 2014 and 2015, respectively. Semi-detached and row starts activity will remain relatively stable over the forecast period after the recent surge in both activity and prices.

Resales: Resales, which reached a record high in 2012, will continue to moderate over the forecast period. As a result of the softening outlook for employment, although wage growth is positive in NL, MLS® sales will decline in both 2014 and 2015. Overall, 4,100 MLS® sales are expected in 2014 and 4,000 in 2015.

Prices: Prices are expected to grow in line with the rate of inflation as demand remains moderate and inventory levels elevated. Average MLS® house prices are expected to be $287,500 in 2014 and $295,000 in 2015.

Figure 11



*The point estimate for total housing starts is 187,300 for 2014 and 184,900 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 176,600 to 199,800 units for 2014 and from 163,200 to 206,600 units for 2015.

Table 1: Total Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1(F)	2014Q2(F)	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**3,488**	**3,885**	**2,862**	**2,835**	**2,800**	**2,875**	**2,875**	**2,900**	**2,875**	**2,700**	**2,700**	**2,800**	**2,925**
%	-3.3	11.4	-26.3	-1.0	-1.2	-9.0	-9.0	0.9	-0.9	-6.1	0.0	3.7	4.5
PEI	**940**	**941**	**636**	**525**	**475**	**505**	**505**	**540**	**540**	**505**	**485**	**485**	**465**
%	24.3	0.1	-32.4	-17.5	-9.5	15.0	15.0	6.9	0.0	-6.5	-4.0	0.0	-4.1
NS	**4,644**	**4,522**	**3,919**	**3,875**	**3,600**	**3,400**	**3,400**	**4,000**	**4,150**	**3,975**	**3,400**	**3,750**	**3,850**
%	7.8	-2.6	-13.3	-1.1	-7.1	-3.5	-3.5	17.6	3.8	-4.2	-14.5	10.3	2.7
NB	**3,452**	**3,299**	**2,843**	**2,465**	**2,270**	**2,750**	**2,750**	**2,375**	**2,500**	**2,250**	**2,200**	**2,325**	**2,350**
%	-15.8	-4.4	-13.8	-13.3	-7.9	-13.7	-13.7	-13.6	5.3	-10.0	-2.2	5.7	1.1
QUE	**48,387**	**47,367**	**37,758**	**38,000**	**38,800**	**37,700**	**37,700**	**37,950**	**38,200**	**38,200**	**38,550**	**38,650**	**38,900**
%	-5.8	-2.1	-20.3	0.6	2.1	-3.1	-3.1	0.7	0.7	0.0	0.9	0.3	0.6
ONT	**67,821**	**76,742**	**61,085**	**60,200**	**58,300**	**62,800**	**62,800**	**61,000**	**59,500**	**57,500**	**57,800**	**58,400**	**58,100**
%	12.2	13.2	-20.4	-1.4	-3.2	-0.9	-0.9	-2.9	-2.5	-3.4	0.5	1.0	-0.5
MAN	**6,083**	**7,242**	**7,465**	**6,800**	**6,900**	**7,000**	**7,000**	**6,700**	**6,800**	**6,800**	**6,800**	**6,700**	**6,900**
%	3.3	19.1	3.1	-8.9	1.5	-5.6	-5.6	-4.3	1.5	0.0	0.0	-1.5	3.0
SASK	**7,031**	**9,968**	**8,290**	**7,700**	**7,500**	**7,600**	**7,600**	**7,900**	**7,700**	**7,600**	**7,500**	**7,300**	**7,500**
%	19.0	41.8	-16.8	-7.1	-2.6	-7.7	-7.7	3.9	-2.5	-1.3	-1.3	-2.7	2.7
ALTA	**25,704**	**33,396**	**36,011**	**37,100**	**36,400**	**36,900**	**36,900**	**37,000**	**36,900**	**37,600**	**36,700**	**36,200**	**36,100**
%	-5.1	29.9	7.8	3.0	-1.9	-6.6	-6.6	0.3	-0.3	1.9	-2.4	-1.4	-0.3
BC	**26,400**	**27,465**	**27,054**	**27,800**	**27,800**	**27,400**	**27,400**	**27,700**	**28,000**	**27,800**	**27,400**	**27,800**	**27,900**
%	-0.3	4.0	-1.5	2.8	0.0	-7.8	-7.8	1.1	1.1	-0.7	-1.4	1.5	0.4
CAN*	**193,950**	**214,827**	**187,923**	**187,300**	**184,900**	**188,930**	**188,930**	**188,065**	**187,165**	**184,930**	**183,535**	**184,410**	**184,990**
%	2.1	10.8	-12.5	-0.3	-1.3	-4.3	-4.3	-0.5	-0.5	-1.2	-0.8	0.5	0.3

SOURCE: CMHC

(F) Forecast by CMHC

* Canadian total excludes territories. The point estimate for the forecast of national total housing starts is 187,300 units for 2014 and 184,900 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 176,600-199,800 units for 2014 and 163,200-206,600 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 2: Single-Detached Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1(F)	2014Q2(F)	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**2,612**	**2,523**	**2,225**	**2,210**	**2,200**	**2,200**	**2,300**	**2,250**	**2,100**	**2,100**	**2,200**	**2,300**	**2,200**
%	-11.2	-3.4	-11.8	-0.7	-0.4	-3.0	4.5	-2.2	-6.7	0.0	4.8	4.5	-4.3
PEI	**431**	**387**	**282**	**255**	**260**	**230**	**265**	**265**	**255**	**250**	**270**	**265**	**260**
%	8.8	-10.2	-27.1	-9.7	2.2	24.3	15.2	0.0	-3.8	-2.0	8.0	-1.9	-1.9
NS	**2,045**	**2,258**	**1,639**	**1,690**	**1,750**	**1,600**	**1,750**	**1,750**	**1,675**	**1,600**	**1,750**	**1,850**	**1,800**
%	-14.5	10.4	-27.4	3.1	3.6	-4.8	9.4	0.0	-4.3	-4.5	9.4	5.7	-2.7
NB	**1,823**	**1,697**	**1,376**	**1,285**	**1,225**	**1,325**	**1,275**	**1,300**	**1,250**	**1,200**	**1,250**	**1,250**	**1,200**
%	-11.8	-6.9	-18.9	-6.6	-4.6	-12.0	-3.8	2.0	-3.8	-4.0	4.2	0.0	-4.0
QUE	**16,554**	**16,059**	**13,144**	**13,200**	**13,400**	**13,200**	**13,200**	**13,200**	**13,200**	**13,300**	**13,400**	**13,400**	**13,500**
%	-15.3	-3.0	-18.2	0.4	1.5	3.4	0.0	0.0	0.0	0.8	0.8	0.0	0.7
ONT	**26,884**	**25,567**	**23,270**	**22,400**	**21,600**	**23,000**	**23,000**	**22,500**	**21,000**	**21,500**	**22,000**	**21,500**	**21,500**
%	-4.3	-4.9	-9.0	-3.7	-3.6	1.5	0.0	-2.2	-6.7	2.4	2.3	-2.3	0.0
MAN	**3,831**	**4,169**	**3,820**	**3,600**	**3,700**	**3,700**	**3,500**	**3,600**	**3,600**	**3,600**	**3,600**	**3,700**	**3,900**
%	-3.6	8.8	-8.4	-5.8	2.8	-7.6	-5.4	2.9	0.0	0.0	0.0	2.8	5.4
SASK	**4,152**	**5,171**	**4,184**	**3,900**	**3,800**	**3,800**	**4,100**	**3,800**	**3,900**	**3,700**	**3,600**	**3,900**	**4,000**
%	8.4	24.5	-19.1	-6.8	-2.6	-20.4	7.9	-7.3	2.6	-5.1	-2.7	8.3	2.6
ALTA	**15,193**	**17,493**	**18,431**	**19,100**	**18,800**	**19,200**	**19,000**	**19,000**	**19,200**	**18,900**	**18,600**	**18,600**	**19,100**
%	-14.9	15.1	5.4	3.6	-1.6	3.0	-1.0	0.0	1.1	-1.6	-1.6	0.0	2.7
BC	**8,867**	**8,333**	**8,522**	**9,100**	**9,400**	**8,800**	**9,000**	**9,200**	**9,300**	**9,200**	**9,300**	**9,500**	**9,600**
%	-22.6	-6.0	2.3	6.8	3.3	-7.4	2.3	2.2	1.1	-1.1	1.1	2.2	1.1
CAN*	**82,392**	**83,657**	**76,893**	**76,700**	**76,200**	**77,055**	**77,390**	**76,865**	**75,480**	**75,350**	**75,970**	**76,265**	**77,060**
%	-11.0	1.5	-8.1	-0.3	-0.7	-1.2	0.4	-0.7	-1.8	-0.2	0.8	0.4	1.0

SOURCE: CMHC

(F) Forecast by CMHC.

* Canadian total excludes territories. The point estimate for the forecast of national single-detached housing starts is 76,700 units for 2014 and 76,200 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 72,400-82,800 units for 2014 and 66,600-85,800 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 3: Multiple Housing Starts
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1(F)	2014Q2(F)	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	**876**	**1,362**	**637**	**625**	**600**	**675**	**600**	**625**	**600**	**600**	**600**	**625**	**575**
%	31.7	55.5	-53.2	-1.9	-4.0	-24.2	-11.1	4.2	-4.0	0.0	0.0	4.2	-8.0
PEI	**509**	**554**	**354**	**270**	**215**	**275**	**275**	**275**	**250**	**235**	**215**	**200**	**200**
%	41.4	8.8	-36.1	-23.8	-20.5	8.3	0.0	0.0	-9.1	-6.0	-8.5	-7.0	0.0
NS	**2,599**	**2,264**	**2,280**	**2,185**	**1,850**	**1,800**	**2,250**	**2,400**	**2,300**	**1,800**	**2,000**	**2,000**	**1,600**
%	35.6	-12.9	0.7	-4.2	-15.3	-2.3	25.0	6.7	-4.2	-21.7	11.1	0.0	-20.0
NB	**1,629**	**1,602**	**1,467**	**1,180**	**1,045**	**1,425**	**1,100**	**1,200**	**1,000**	**1,000**	**1,075**	**1,100**	**1,000**
%	-19.9	-1.7	-8.4	-19.5	-11.5	-15.2	-22.8	9.1	-16.7	0.0	7.5	2.3	-9.1
QUE	**31,833**	**31,308**	**24,614**	**24,800**	**25,400**	**24,500**	**24,750**	**25,000**	**25,000**	**25,250**	**25,250**	**25,500**	**25,500**
%	0.1	-1.6	-21.4	0.8	2.4	-6.3	1.0	1.0	0.0	1.0	0.0	1.0	0.0
ONT	**40,937**	**51,175**	**37,815**	**37,800**	**36,700**	**39,800**	**38,000**	**37,000**	**36,500**	**36,300**	**36,400**	**36,600**	**37,500**
%	26.6	25.0	-26.1	0.0	-2.9	-2.2	-4.5	-2.6	-1.4	-0.5	0.3	0.5	2.5
MAN	**2,252**	**3,073**	**3,645**	**3,200**	**3,200**	**3,300**	**3,200**	**3,200**	**3,200**	**3,200**	**3,100**	**3,200**	**3,300**
%	17.8	36.5	18.6	-12.2	0.0	-3.2	-3.0	0.0	0.0	0.0	-3.1	3.2	3.1
SASK	**2,879**	**4,797**	**4,106**	**3,800**	**3,700**	**3,800**	**3,800**	**3,900**	**3,700**	**3,800**	**3,700**	**3,600**	**3,700**
%	38.6	66.6	-14.4	-7.5	-2.6	10.0	0.0	2.6	-5.1	2.7	-2.6	-2.7	2.8
ALTA	**10,511**	**15,903**	**17,580**	**18,000**	**17,600**	**17,700**	**18,000**	**17,900**	**18,400**	**17,800**	**17,600**	**17,500**	**17,500**
%	13.8	51.3	10.5	2.4	-2.2	-15.2	1.7	-0.6	2.8	-3.3	-1.1	-0.6	0.0
BC	**17,533**	**19,132**	**18,532**	**18,700**	**18,400**	**18,600**	**18,700**	**18,800**	**18,500**	**18,200**	**18,500**	**18,400**	**18,500**
%	16.8	9.1	-3.1	0.9	-1.6	-8.0	0.5	0.5	-1.6	-1.6	1.6	-0.5	0.5
CAN*	**111,558**	**131,170**	**111,030**	**110,600**	**108,700**	**111,875**	**110,675**	**110,300**	**109,450**	**108,185**	**108,440**	**108,725**	**109,375**
%	14.6	17.6	-15.4	-0.4	-1.7	-6.3	-1.1	-0.3	-0.8	-1.2	0.2	0.3	0.6

SOURCE: CMHC

(F) Forecast by CMHC

* Canadian total excludes territories. The point estimate for the forecast of national multiple starts is 110,600 units for 2014 and 108,700 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 104,200-117,000 units for 2014 and 96,600-120,800 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 4: Multiple Housing Starts by Type (Units)

		2011	2012	2013	2014(F)	2015(F)
NFLD	Semi-Detached	87	88	36	25	25
	Row	135	121	96	75	100
	Apartment	654	1,153	505	525	475
	Total	876	1,362	637	625	600
PEI	Semi-Detached	70	94	71	60	50
	Row	47	127	36	35	40
	Apartment	392	333	247	175	125
	Total	509	554	354	270	215
NS	Semi-Detached	418	420	332	340	340
	Row	241	218	259	260	260
	Apartment	1,940	1,626	1,689	1,585	1,250
	Total	2,599	2,264	2,280	2,185	1,850
NB	Semi-Detached	472	426	290	275	230
	Row	211	162	175	155	140
	Apartment	946	1,014	1,002	750	675
	Total	1,629	1,602	1,467	1,180	1,045
QUE	Semi-Detached	4,002	3,866	2,835	2,850	2,900
	Row	1,855	1,904	1,121	1,150	1,200
	Apartment	25,976	25,538	20,658	20,800	21,300
	Total	31,833	31,308	24,614	24,800	25,400
ONT	Semi-Detached	3,142	3,397	3,116	3,200	3,350
	Row	9,288	10,577	9,427	10,000	10,700
	Apartment	28,507	37,201	25,272	24,600	22,650
	Total	40,937	51,175	37,815	37,800	36,700
MAN	Semi-Detached	243	346	348	264	260
	Row	672	538	773	565	570
	Apartment	1,337	2,189	2,524	2,371	2,370
	Total	2,252	3,073	3,645	3,200	3,200
SASK	Semi-Detached	243	684	446	399	388
	Row	878	813	1,011	985	959
	Apartment	1,758	3,300	2,649	2,417	2,353
	Total	2,879	4,797	4,106	3,800	3,700
ALTA	Semi-Detached	2,811	3,886	3,997	4,297	4,201
	Row	2,473	3,315	3,992	4,227	4,133
	Apartment	5,227	8,702	9,591	9,476	9,266
	Total	10,511	15,903	17,580	18,000	17,600
BC	Semi-Detached	1,082	1,078	1,073	1,200	1,100
	Row	3,647	3,201	3,103	3,400	3,300
	Apartment	12,804	14,853	14,356	14,100	14,000
	Total	17,533	19,132	18,532	18,700	18,400
CAN*	Semi-Detached	12,570	14,285	12,544	12,949	12,835
	Row	19,447	20,976	19,993	20,852	21,402
	Apartment	79,541	95,909	78,493	76,799	74,464
	Total	111,558	131,170	111,030	110,600	108,700

Source: CMHC (F) Forecast. * Totals may not add due to rounding.

Table 5: Total Residential Resales
(units** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1(F)	2014Q2(F)	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	4,480	4,650	4,303	4,100	4,000	4,000	4,200	4,200	4,000	4,000	4,200	4,000	3,800
%	5.8	3.8	-7.5	-4.7	-1.2	-6.9	5.0	0.0	-4.8	0.0	5.0	-4.8	-5.0
PEI	1,521	1,614	1,425	1,300	1,200	1,300	1,400	1,300	1,200	1,100	1,300	1,200	1,200
%	2.3	6.1	-11.7	-8.8	-7.7	8.3	7.7	-7.1	-7.7	-8.3	18.2	-7.7	0.0
NS	10,312	10,437	9,151	9,300	9,600	9,250	9,500	9,450	9,000	9,250	9,600	9,750	9,800
%	2.8	1.2	-12.3	1.6	2.2	2.0	2.7	-0.5	-4.8	2.8	3.8	1.6	0.5
NB	6,599	6,403	6,282	6,100	5,900	6,000	6,200	6,200	6,000	5,800	6,000	6,000	5,800
%	-1.5	-3.0	-1.9	-2.9	-0.8	-2.5	3.3	0.0	-3.2	-3.3	3.4	0.0	-3.3
QUE	77,165	77,379	71,301	73,900	75,000	73,500	73,750	74,000	74,250	74,750	75,250	75,000	75,000
%	-3.6	0.3	-7.9	3.6	1.5	3.7	0.3	0.3	0.3	0.7	0.7	-0.3	0.0
ONT	201,761	197,620	198,675	199,600	203,400	201,300	203,000	199,400	194,500	200,000	204,000	206,000	203,500
%	2.6	-2.1	0.5	0.5	1.9	0.6	0.8	-1.8	-2.5	2.8	2.0	1.0	-1.2
MAN	13,944	14,008	13,797	14,000	14,200	13,900	14,100	14,100	13,900	14,000	14,200	14,300	14,300
%	5.9	0.5	-1.5	1.5	1.4	-2.4	1.4	0.0	-1.4	0.7	1.4	0.7	0.0
SASK	13,131	13,886	13,535	13,800	14,000	13,700	13,900	13,900	13,800	13,800	14,100	14,100	14,000
%	20.8	5.7	-2.5	2.0	1.4	-0.5	1.5	0.0	-0.7	0.0	2.2	0.0	-0.7
ALTA	53,756	60,369	66,080	68,500	70,100	68,600	68,800	68,800	67,800	68,200	69,500	70,900	71,800
%	8.1	12.3	9.5	3.7	2.3	3.3	0.3	0.0	-1.5	0.6	1.9	2.0	1.3
BC	76,721	67,637	72,936	76,000	77,300	74,300	75,800	77,000	76,800	76,200	76,400	77,700	78,900
%	2.8	-11.8	7.8	4.2	1.7	-7.1	2.0	1.6	-0.3	-0.8	0.3	1.7	1.5
CAN*	459,390	454,003	457,485	466,500	474,700	465,850	470,650	468,350	461,250	467,100	474,550	478,950	478,100
%	2.6	-1.2	0.8	2.0	1.8	-0.2	1.0	-0.5	-1.5	1.3	1.6	0.9	-0.2

SOURCE: The Canadian Real Estate Association (CREA) and QFREB by the Centris® system.

(F) Forecast by CMHC.

* Canadian total does not include the territories. The point estimate for the forecast of national residential resales is 466,500 units for 2014 and 474,700 units for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 436,000-497,000 units for 2014 and 443,400-506,000 units for 2015.

** Quarterly levels are seasonally adjusted at annual rates.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 6: Average Residential Resale Price

($** and percentage change)

	2011	2012	2013	2014(F)	2015(F)	2014Q1(F)	2014Q2(F)	2014Q3(F)	2014Q4(F)	2015Q1(F)	2015Q2(F)	2015Q3(F)	2015Q4(F)
NFLD	251,581	268,776	283,102	287,500	295,000	280,000	295,000	289,500	285,000	282,000	295,000	305,000	298,156
%	6.9	6.8	5.3	1.6	2.6	-0.3	5.4	-1.9	-1.6	-1.1	4.6	3.4	-2.2
PEI	149,618	152,250	156,107	155,500	155,000	153,000	160,000	156,400	152,000	152,000	153,000	159,000	155,915
%	1.6	1.8	2.5	-0.4	-0.3	0.8	4.6	-2.3	-2.8	0.0	0.7	3.9	-1.9
NS	212,512	220,413	217,192	218,500	219,500	218,000	219,000	219,000	217,925	218,000	220,000	220,000	219,930
%	3.1	3.7	-1.5	0.6	0.5	1.2	0.5	0.0	-0.5	0.0	0.9	0.0	0.0
NB	160,545	161,116	162,652	162,000	161,500	162,000	162,000	163,000	161,000	161,000	162,000	162,000	160,965
%	2.1	0.4	1.0	-0.4	-0.3	-0.7	0.0	0.6	-1.2	0.0	0.6	0.0	-0.6
QUE	252,147	260,529	262,495	265,800	269,000	265,500	265,750	266,000	266,500	267,250	268,250	269,500	271,000
%	4.4	3.3	0.8	1.3	1.2	-0.5	0.1	0.1	0.2	0.3	0.4	0.5	0.6
ONT	365,018	384,455	402,547	412,100	419,700	410,000	411,500	413,000	414,300	416,800	419,000	421,000	422,250
%	6.9	5.3	4.7	2.4	1.8	-0.6	0.4	0.4	0.3	0.6	0.5	0.5	0.3
MAN	234,604	246,318	259,949	267,000	274,300	264,700	266,500	267,900	268,900	271,800	273,800	275,300	276,400
%	5.6	5.0	5.5	2.7	2.7	-2.7	0.7	0.5	0.4	1.1	0.7	0.5	0.4
SASK	259,461	275,490	288,698	295,700	302,700	293,600	294,800	295,800	296,600	301,100	302,300	303,300	304,000
%	7.1	6.2	4.8	2.4	2.4	0.7	0.4	0.3	0.3	1.5	0.4	0.3	0.2
ALTA	353,394	363,208	380,969	391,100	401,000	386,600	389,900	392,900	394,900	397,900	399,300	402,200	404,300
%	0.3	2.8	4.9	2.7	2.5	0.3	0.9	0.8	0.5	0.8	0.4	0.7	0.5
BC	561,304	514,836	537,414	542,500	547,100	550,000	540,000	543,000	538,000	540,000	545,000	549,000	554,000
%	11.1	-8.3	4.4	0.9	0.8	-2.4	-1.8	0.6	-0.9	0.4	0.9	0.7	0.9
CAN*	362,324	363,406	382,543	390,400	397,100	389,486	389,449	391,304	391,419	393,551	395,582	398,482	400,773
%	7.0	0.3	5.3	2.1	1.7	-1.0	0.0	0.5	0.0	0.5	0.5	0.7	0.6

SOURCE: The Canadian Real Estate Association (CREA) and QFREB by the Centris® system.

(F) Forecast by CMHC.

* Canadian average does not include the territories. The point estimate for the forecast of national residential prices is $390,400 for 2014 and $397,100 for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from $380,100-$400,700 for 2014 and $384,300-$409,900 for 2015.

** Quarterly averages are seasonally adjusted.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 7: Employment
(annual percentage change)

	2009	2010	2011	2012	2013	2014(F)	2015(F)
NFLD	-2.9	3.3	2.7	2.3	1.2	1.0	1.5
PEI	-1.3	2.9	2.0	1.1	1.9	0.8	0.8
NS	-0.1	0.2	0.1	0.6	-0.3	0.5	1.0
NB	0.1	-0.9	-1.2	-0.2	-0.1	0.4	0.8
QUE	-0.8	1.7	1.0	0.8	1.2	1.4	1.5
ONT	-2.5	1.7	1.8	0.8	1.4	1.4	1.9
MAN	0.0	1.9	0.8	0.9	0.6	1.0	1.2
SASK	1.3	0.9	0.3	2.1	3.4	2.1	1.8
ALTA	-1.4	-0.4	3.8	2.7	2.8	2.3	2.2
BC	-2.1	1.7	0.8	1.7	-0.2	1.5	2.4
CAN*	-1.6	1.4	3.4	1.2	1.3	1.5	1.8

Source: Statistics Canada, (F) Forecast by CMHC.

National forecast reflects the January 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national employment growth is 1.5 per cent for 2014 and 1.8 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 1.1 per cent to 1.9 per cent for 2014 and 1.2 per cent to 2.4 per cent for 2015.

Table 8: Unemployment Rate
(per cent)

	2009	2010	2011	2012	2013	2014(F)	2015(F)
NFLD	15.5	14.4	12.7	12.5	11.4	11.5	11.4
PEI	12.1	11.2	11.3	11.3	11.4	11.2	11.2
NS	9.2	9.3	8.8	9.0	9.1	9.3	9.3
NB	8.8	9.3	9.5	10.2	10.5	10.6	10.6
QUE	8.5	8.0	7.8	7.8	7.6	7.4	7.1
ONT	9.0	8.7	7.8	7.8	7.5	7.3	6.9
MAN	5.2	5.4	5.4	5.3	5.3	5.5	5.4
SASK	4.8	5.2	5.0	4.7	4.0	4.2	4.3
ALTA	6.6	6.5	5.5	4.6	4.6	4.5	4.4
BC	7.7	7.6	7.5	6.7	6.6	6.7	6.4
CAN*	8.3	8.0	7.4	7.2	7.1	6.9	6.6

Source: Statistics Canada, (F) Forecast by CMHC.

National forecast reflects the January 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national unemployment is 6.9 per cent for 2014 and 6.6 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts, which varies from 6.6 per cent to 7.2 per cent for 2014 and 6.3 per cent to 7.1 per cent for 2015.

Table 9: Gross Domestic Product
(annual percentage change)

	2009	2010	2011	2012	2013(E)	2014(F)	2015(F)
NFLD	-9.9	5.9	2.9	-4.4	5.0	1.5	1.8
PEI	0.4	2.2	1.0	1.5	1.0	0.8	1.0
NS	0.4	3.0	0.6	-0.1	0.5	1.0	1.6
NB	-1.1	2.0	0.3	-1.1	0.0	0.6	0.9
QUE	-0.6	2.3	1.8	1.5	1.3	1.7	2.0
ONT	-3.1	3.4	2.2	1.3	1.6	2.3	2.6
MAN	-0.2	2.6	1.7	2.6	1.9	2.2	2.5
SASK	-4.8	4.2	5.0	1.9	2.1	2.4	2.6
ALTA	-4.1	4.5	5.2	3.8	2.4	3.1	3.0
BC	-2.5	3.3	2.7	1.5	1.7	2.3	2.8
CAN*	-2.7	3.4	2.5	1.7	1.8	2.2	2.5

Source: Statistics Canada, (F) Forecast by CMHC, (E) Estimate based on partial annual data by CMHC.

National forecast reflects the January 2014 Consensus Forecasts Report published by Consensus Economics.

*The point estimate for the forecast of national GDP growth is 2.2 per cent for 2014 and 2.5 per cent for 2015. Economic uncertainty is reflected by the current range of forecasts which varies from 1.8 per cent to 2.8 per cent for 2014 and 2.0 per cent to 3.2 per cent for 2015.

Table 10: Total Net Migration *
(number of persons)

	2009	2010	2011	2012	2013(E)	2014(F)	2015(F)
NFLD	3,325	840	1,720	1,797	-350	-250	600
PEI	1,723	2,541	1,503	228	350	400	400
NS	3,679	3,701	957	-1,530	-2,725	-1,000	750
NB	2,183	2,781	1,303	-1,012	-1,325	-1,000	-250
QUE	51,466	47,528	44,181	45,428	41,520	43,750	45,950
ONT	98,737	114,911	101,993	82,984	79,930	87,600	95,500
MAN	10,746	11,881	11,160	10,278	8,600	8,500	8,400
SASK	10,145	9,395	11,675	15,974	15,000	12,700	10,800
ALTA	32,968	21,677	46,261	86,939	103,000	71,000	63,000
BC	57,333	39,597	32,244	24,513	38,700	41,000	41,300
CAN**	272,305	254,852	252,997	265,599	282,700	262,700	266,450

Source: Statistics Canada, (F) Forecast by CMHC, (E) Estimate based on partial quaterly data for 2013 by CMHC.

* Sum of interprovincial migration, international migration and non-permanent residents.

** Excludes territories.

Note: Canadian total may not add to the sum of the provinces due to rounding.

Table 11a: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
Victoria	2013	1,685	514	-1.3	5,691	480,997	2.8	1,068
	2014(F)	1,700	590	-0.9	5,825	482,500	3.0	1,070
	2015(F)	1,800	585	0.1	5,925	492,100	2.7	1,075
Vancouver*	2013	18,696	4,004	-1.0	28,985	767,765	1.7	1,281
	2014(F)	18,600	4,200	-0.3	30,000	776,000	2.1	1,300
	2015(F)	18,400	4,250	0.5	28,500	782,700	2.2	1,330
Abbotsford-Mission	2013	749	201	n.a.	2,392	338,770	3.2	820
	2014(F)	800	190	n.a.	2,450	349,500	2.8	825
	2015(F)	750	160	n.a.	2,500	357,000	2.6	850
Kelowna	2013	1,013	579	n.a.	4,016	398,175	1.8	970
	2014(F)	1,075	625	n.a.	4,250	405,000	2.0	975
	2015(F)	1,200	675	n.a.	4,500	413,000	1.5	985
Edmonton	2013	14,689	5,970	0.6	19,552	344,977	1.4	1,141
	2014(F)	13,200	6,200	1.5	19,800	353,000	1.6	1,175
	2015(F)	12,700	6,300	2.0	20,100	360,000	1.7	1,200
Calgary	2013	12,584	6,402	5.3	29,954	437,036	1.0	1,224
	2014(F)	14,100	6,600	3.9	31,300	449,000	1.2	1,280
	2015(F)	13,500	6,400	2.5	32,100	460,000	1.5	1,320
Saskatoon	2013	2,980	1,658	1.6	5,543	332,058	2.7	1,041
	2014(F)	2,900	1,600	1.5	5,700	340,600	2.8	1,075
	2015(F)	2,850	1,575	1.4	5,775	348,600	2.9	1,105
Regina	2013	3,122	1,246	2.8	3,692	312,355	1.8	1,018
	2014(F)	2,800	1,200	2.7	3,800	321,500	2.1	1,050
	2015(F)	2,735	1,185	2.2	3,850	328,500	2.3	1,075
Winnipeg	2013	4,705	2,218	5.0	12,088	268,382	2.5	969
	2014(F)	4,425	2,125	4.3	12,250	277,000	2.8	1,010
	2015(F)	4,600	2,200	4.2	12,400	285,000	3.0	1,035
Thunder Bay	2013	324	193	0.9	1,357	210,234	2.6	858
	2014(F)	290	200	1.1	1,375	220,000	2.4	875
	2015(F)	320	210	1.2	1,410	227,000	2.2	890
Greater Sudbury / Grand Sudbury	2013	431	208	0.9	2,308	245,307	3.4	914
	2014(F)	455	225	1.1	2,350	249,000	3.0	920
	2015(F)	485	240	1.2	2,400	253,000	2.9	930
Windsor	2013	708	535	0.3	5,341	179,820	5.9	788
	2014(F)	765	575	1.4	5,400	184,500	5.0	795
	2015(F)	810	600	1.5	5,500	189,500	4.5	805

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

*MLS® sales and prices for the Vancouver CMA refer only to the Real Estate Board of Greater Vancouver (REBGV) board area, which does not include Surrey, Langley, White Rock, and North Delta.

n.a.: Data not available. (F) Forecast by CMHC.

Table 11b: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
London	2013	2,163	1,153	1.7	8,113	246,943	3.3	924
	2014(F)	2,160	1,215	2.0	8,200	252,500	3.2	940
	2015(F)	2,135	1,200	2.0	8,310	257,750	3.0	950
Kitchener-Cambridge-Waterloo	2013	1,840	690	1.3	6,467	324,604	2.9	952
	2014(F)	2,300	700	1.3	6,350	328,500	3.0	975
	2015(F)	2,050	700	1.5	6,500	335,000	2.7	985
St. Catharines-Niagara*	2013	1,223	717	3.0	5,483	238,449	4.1	872
	2014(F)	1,170	670	2.2	5,525	246,320	3.5	880
	2015(F)	1,210	705	3.3	5,640	251,250	3.3	900
Hamilton	2013	2,709	1,159	1.3	13,471	383,892	3.4	932
	2014(F)	2,640	1,140	1.4	13,580	392,500	3.2	945
	2015(F)	2,580	1,100	1.2	13,500	399,500	2.9	960
Toronto	2013	33,547	9,421	2.4	88,946	524,089	1.6	1,213
	2014(F)	32,900	8,300	1.6	89,500	536,000	1.8	1,220
	2015(F)	32,300	7,800	1.5	90,500	545,000	1.8	1,235
Barrie	2013	891	602	n.a.	4,648	317,883	3.0	1,048
	2014(F)	945	655	n.a.	4,720	327,000	2.7	1,065
	2015(F)	985	690	n.a.	4,770	336,000	2.5	1,085
Peterborough	2013	354	224	n.a.	2,539	271,162	4.8	915
	2014(F)	340	225	n.a.	2,535	273,000	4.0	920
	2015(F)	345	225	n.a.	2,550	275,000	3.7	930
Brantford	2013	396	261	n.a.	2,230	264,443	2.9	835
	2014(F)	430	280	n.a.	2,270	272,500	2.8	845
	2015(F)	400	270	n.a.	2,250	278,000	2.5	865
Guelph	2013	890	198	n.a.	3,164	343,564	1.9	957
	2014(F)	850	225	n.a.	3,025	352,000	1.7	970
	2015(F)	825	225	n.a.	3,125	359,500	1.5	985
Oshawa**	2013	1,384	887	n.a.	10,019	354,548	2.1	985
	2014(F)	1,325	900	n.a.	10,100	362,000	2.1	990
	2015(F)	1,305	900	n.a.	10,300	367,500	2.2	1,005
Kingston	2013	856	325	n.a.	3,165	279,339	2.3	1,054
	2014(F)	730	345	n.a.	3,250	284,700	2.0	1,075
	2015(F)	760	390	n.a.	3,385	291,400	2.6	1,090

Sources: CMHC, Canadian Real Estate Association, Local Real Estate Boards, Statistics Canada.

*MLS® data for St. Catharines-Niagara is aggregated using total numbers of the area's three real estate boards.

**MLS® numbers reflect all of Durham Region.

n.a.: Data not available. (F) Forecast by CMHC.

Table 11c: Local Market Indicators

Census Metropolitan Area		Total Housing Starts	Single-Detached	NHPI Annual % Change	MLS® Sales	MLS® Avg. Price	Rental Vac. Rate (3+ units, all bedrooms)	Average Rent (3+ units, two bedrooms)
Ottawa*	2013	6,560	1,787	0.4	14,049	358,876	2.9	1,132
	2014(F)	5,625	1,750	2.3	14,200	363,500	2.3	1,160
	2015(F)	6,000	1,800	1.7	14,400	369,000	1.8	1,180
Gatineau*	2013	1,924	475	0.4	3,545	243,330	5.1	744
	2014(F)	1,925	450	2.3	3,600	247,000	5.2	745
	2015(F)	2,000	425	1.7	3,675	250,000	5.2	750
Montreal	2013	15,632	3,039	0.9	36,522	324,020	2.8	730
	2014(F)	15,800	3,300	0.7	38,500	325,600	2.6	740
	2015(F)	15,900	3,400	1.0	39,700	329,000	2.5	750
Trois-Rivières	2013	849	243	n.a.	928	158,582	5.1	555
	2014(F)	750	240	n.a.	875	162,000	5.5	560
	2015(F)	725	220	n.a.	850	165,000	6.0	565
Sherbrooke	2013	1,496	442	n.a.	1,665	229,483	5.3	591
	2014(F)	1,500	450	n.a.	1,740	234,000	5.1	600
	2015(F)	1,500	450	n.a.	1,730	238,000	4.9	605
Québec	2013	4,680	961	1.2	6,282	267,254	2.3	757
	2014(F)	4,200	900	1.0	6,500	272,000	2.5	770
	2015(F)	3,800	900	1.0	6,800	278,000	2.8	785
Saguenay	2013	919	337	n.a.	1,185	193,764	2.8	571
	2014(F)	730	300	n.a.	1,100	195,000	3.0	590
	2015(F)	700	300	n.a.	1,000	195,000	3.2	610
Saint John	2013	276	140	0.3	1,558	173,042	11.4	691
	2014(F)	270	140	0.5	1,525	172,750	11.5	695
	2015(F)	280	140	0.5	1,475	172,000	11.0	700
Moncton	2013	911	258	0.3	2,194	160,092	9.1	742
	2014(F)	700	240	0.5	2,100	160,000	9.8	750
	2015(F)	620	230	0.5	2,000	159,500	10.5	760
Halifax	2013	2,439	678	2.5	4,986	274,880	3.2	976
	2014(F)	2,425	625	3.0	5,100	276,000	4.3	995
	2015(F)	2,100	675	3.0	5,250	278,000	4.6	1,015
St. John's	2013	1,734	1,243	1.6	3,617	301,333	3.2	864
	2014(F)	1,640	1,100	1.0	3,500	305,000	3.5	900
	2015(F)	1,620	1,025	1.0	3,450	310,000	3.8	925
Charlottetown**	2013	438	160	0.3	494	203,305	7.9	804
	2014(F)	335	145	0.5	475	203,000	9.0	820
	2015(F)	305	150	0.5	450	202,500	8.0	850
ALL 35 LISTED CENTRES	2013	145,797	49,128	2.2	346,189	416,305	2.7	919
	2014(F)	142,800	48,625	1.5	352,770	424,527	2.6	944
	2015(F)	140,595	48,300	1.5	356,570	429,530	2.7	959

Sources: CMHC, Canadian Real Estate Association, QFREB by the Centris® system, Local Real Estate Boards, Statistics Canada.

*Statistics Canada defines Ottawa-Gatineau as a single census metropolitan area (CMA), but are treated as two centres in this publication for the sake of more detailed analysis.

n.a.: Data not available. (F) Forecast by CMHC.

Table 12: Major Housing Indicators (levels and quarter-to-quarter percentage change)

	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4
New Housing								
Building permits, units, thousands	212.0	221.9	221.9	192.9	178.0	228.7	210.9	222.2
% change	1.8	4.6	0.0	-13.1	-7.7	28.5	-7.8	5.3
Housing starts, total, thousands	205.9	229.8	219.4	204.4	174.4	187.9	191.6	197.4
% change	2.1	11.6	-4.5	-6.8	-14.6	7.7	2.0	3.0
Housing starts, singles, thousands	85.2	84.5	84.1	81.7	77.0	76.2	76.4	78.0
% change	0.9	-0.8	-0.5	-2.8	-5.8	-1.0	0.2	2.1
Housing starts, multiples, thousands	120.8	145.3	135.3	122.6	97.4	111.6	115.2	119.4
% change	3.0	20.4	-6.9	-9.4	-20.5	14.6	3.2	3.7
Housing completions, total,*	39,363	42,186	50,861	47,683	39,028	49,362	47,812	49,292
% change	-12.9	7.2	20.6	-6.2	-18.2	26.5	-3.1	3.1
New Housing Price Index, 2007=100*	107.0	107.8	108.3	108.8	109.3	109.7	110.2	110.3
% change	0.5	0.7	0.5	0.5	0.4	0.4	0.4	0.1
Existing Housing								
MLS® resales, units, thousands	479,744	470,552	438,056	429,492	430,492	454,768	479,844	466,560
% change	0.3	-1.9	-6.9	-2.0	0.2	5.6	5.5	-2.8
MLS® average resale price, $	364,097	363,687	358,441	360,001	367,917	375,080	388,712	393,367
% change	1.4	-0.1	-1.4	0.4	2.2	1.9	3.6	1.2
Mortgage Market								
1-year mortgage rate, per cent*	3.3	3.2	3.1	3.1	3.0	3.0	3.1	3.1
5-year mortgage rate, per cent*	5.3	5.3	5.2	5.2	5.2	5.1	5.3	5.3
Residential Investment**								
Total, $2002 millions	112,291	113,212	112,921	112,608	111,342	113,186	113,860	n.a
% change	3.3	0.8	-0.3	-0.3	-1.1	1.7	0.6	n.a
New, $2002 millions	50,428	52,188	53,120	53,196	51,696	51,428	49,928	n.a
% change	6.3	3.5	1.8	0.1	-2.8	-0.5	-2.9	n.a
Alterations, $2002 millions	42,812	42,268	42,532	42,792	42,828	43,692	44,188	n.a
% change	0.6	-1.3	0.6	0.6	0.1	2.0	1.1	n.a
Transfer costs, $2002 millions	19,240	18,980	17,656	17,076	17,240	18,388	19,880	n.a
% change	2.0	-1.4	-7.0	-3.3	1.0	6.7	8.1	n.a
Deflator, 2002=100*	111.0	111.9	112.1	113.0	112.8	112.7	113.7	n.a
% change	0.8	0.8	0.2	0.8	-0.2	-0.1	0.9	n.a

Sources: CMHC, Statistics Canada, Bank of Canada, Canadian Real Estate Association.

n.a.: Data not available.

* All indicators are seasonally adjusted and annualized except the New Housing Price Index and the Residential Investment Deflator, which are only seasonally adjusted, and housing completions and the 1-year and 5-year mortgage rates, which are not adjusted or annualized.

** Residential Investment includes outlays for new permanent housing, conversion costs, cost of alterations and improvements, supplementary costs, and transfer costs.

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